IN THE HIGH COURT OF JUDICATURE AT BOMBAY

IN ITS INSOLVENCY JURISDICTION

PETITION NO.188 OF 2004

Re: Vibha Dilip Musale ..Debtor.

Ex parte:
Hiralal S. Parmar .. Petitioning Creditor.

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Mr. Tushar Goradia for the Petitioning Creditor.
Debtor present in person.

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CORAM: DR. D.Y. CHANDRACHUD, J.

19th September, 2006.

P.C. :

The Insolvency Petition is based on a judgment and order of this Court in Summary Suit 59 of 2000. The decree came to be passed on 26th March, 2004. The Insolvency Petition recites that the Debtor is indebted in a sum of Rs.1,10,711/- together with interest at the rate of 18% per annum on the principal sum of Rs.50,000/- from 22nd June, 2004. The Insolvency Notice was issued on 28th July, 2004 and was served on 2nd August, 2004. The Debtor has committed an act of insolvency on 7th September, 2004. On 6th September, 2005 an order was passed by this Court

by which time was granted to the Debtor until 20th September, 2005 to consider as to whether she would be in a position to pay the amount in installments within a period of one year.

Today during the course of the hearing, the Debtor who is personally present had made an offer to resolve the entire dispute by a one time settlement. Counsel appearing for the Petitioning Creditor has accepted the offer of the Debtor, on the instructions of the Petitioning Creditor who is personally present in the Court that an amount of Rs.45,000/- will be paid to the Petitioning Creditor on or before 26th September, 2006 in full and final settlement of the decretal dues. The Debtor has stated that she would be in a position to pay the aforesaid amount by 26th September, 2006. In the circumstances, the following conditional order is passed :

i) Upon the Debtor paying an amount of Rs.45,000/- to the Petitioning Creditor on or before 26th September, 2006, the decree dated 26th March, 2004 of this Court in Summary Suit 59 of 2000 shall in so far as the Debtor is concerned be marked as satisfied;

ii) Upon the Debtor making payment of the aforesaid amount of Rs.45,000/- on or before 26th September, 2006, counsel appearing for the Petitioning Creditor shall inform the Insolvency Registrar upon which the Petition shall stand dismissed. In the event that there is any default, the Petition shall stand absolute in terms of prayer clauses (a) and (b) without further reference to the Court and the claim of the Petitioning Creditor shall not be restricted to the sum as agreed, but to the balance of the decretal dues.